

County of Los Angeles  
**DEPARTMENT OF PUBLIC SOCIAL SERVICES**

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August 24, 2005

TO: Each Supervisor

FROM: Bryce Yokomizo, Director

SUBJECT: **STATUS REPORT OF STAGE 1 CHILD CARE CONTRACT  
(BOARD ORDER SYN. #45 - DECEMBER 1, 1998)**

In response to your Board's December 1, 1998 order, this is the semi-annual Stage 1 Child Care contract evaluation report for January – June 2005 services. Statistical data has been updated to reflect the 13 contractors' performance of services under the contract for the first six months of 2005.

**Collocation Staff:** Contractor staff collocated at our CalWORKs and GAIN Regional offices continue to provide expedited referrals and child care authorizations to all CalWORKs participants seeking Child Care Services.

**Average Number of Children Served:** The monthly average number of children served in Stage 1 during the period was 18,724 compared to 19,380 during the previous six months, a decrease of 656 children.

**Average Number of Cases Served:** For the period January - June 2005, the average number of cases receiving Stage 1 Child Care Services was 12,255 cases per month. This is an increase of 101 cases from the July - December 2004 average of 12,154.

**Complaints:** During this reporting period, there was a decrease in the number of child care complaints received, with an average of 27 calls per month compared to 37 calls per month in the previous reporting period. The average monthly complaints continue to be less than one percent of the average monthly caseload.

**Monitoring:** DPSS continues to monitor the agencies closely by conducting on-site case reviews to confirm that contractors adhere to contract provisions for time limits for making referrals, authorizing child care and issuing timely and correct child care provider payments. Other areas reviewed by DPSS include case record documentation and meeting the language requirements mandated for agencies' staff. DPSS initiated fiscal assessments on five agencies that exceeded the error threshold during the most recent review quarter. DPSS found the services of the other eight contractors to be satisfactory.

**Staff Turnover:** Staff turnover rate during this period decreased to 8 percent from the last six months rate of 11 percent. Two of the 13 agencies increased the number of staff working on Stage 1 Child Care Services, while seven of the contractors decreased staff between January - June 2005.

**Fraud Prevention:** DPSS has created a Child Care Fraud Prevention Task Force consisting of representatives of DPSS, the District Attorney's Office, the contractors, and the Child Care Alliance of Los Angeles. Additionally, the Department is working with the Auditor-Controller and an independent auditor to conduct reviews of the contractors' payment systems to ensure adequacy of controls within the thirteen agencies to prevent and detect fraud. DPSS will continue to apply aggressive controls and work closely with the Auditor-Controller, District Attorney and the State to develop additional strategies to identify, investigate and prevent fraud.

BY:mth

Attachment

c: Executive Officer, Board of Supervisors  
Chief Administrative Officer  
County Counsel  
Child Care Planning Committee  
Auditor-Controller

### NUMBER OF CHILD CARE CASES/PAYMENTS

The following chart reflects the combined number of Stage 1 Child Care authorizations and referrals processed by the Alternative Payment Program agencies and the authorized amount of Stage 1 Child Care payments issued.

ALTERNATIVE PAYMENT PROGRAM AGENCY	CASES RECEIVING REFERRALS AND CHILD CARE ASSISTANCE January – June 2005 (1)	AUTHORIZED AMOUNT OF PROVIDER PAYMENTS (2)
Center for Community and Family Services	7,661	\$7,079,248.54
Pathways	3,920	\$2,769,367.66
Child Care Information Service	2,730	\$1,885,309.28
Child Care Resource Center	13,060	\$10,260,686.55
Children's Home Society	7,121	\$5,649,358.30
City of Norwalk	928	\$563,092.57
Connections for Children	1,245	\$912,617.29
Crystal Stairs, Inc.	15,661	\$13,323,398.27
Drew Child Development Corporation	5,572	\$3,926,486.11
International Institute of Los Angeles	927	\$633,799.89
Mexican-American Opportunity Foundation	6,859	\$5,050,156.64
Options	4,103	\$3,009,080.36
Pomona Unified School District	3,742	\$4,569,487.50
<b>TOTALS:</b>	<b>73,529</b>	<b>\$59,632,088.96</b>

(1) Combines Agency claimed referrals plus authorizations posted to the Department's GEARS system, and the agencies' monthly invoices from January through June 2005.

(2) Child care payments authorized by the agencies, as reported on the Department's GEARS system and the agencies' monthly invoices from January through June 2005.

### NUMBER OF CHILDREN SERVED

The following chart reflects the average number of children by age category who have received child care services per month, during the initial six months of calendar year 2005, by each of the Alternative Payment Program agencies. The total average number of children serviced during this period decreased by 656.

ALTERNATIVE PAYMENT PROGRAM AGENCY	CHILDREN'S AGES							
	UNDER ONE	1	2	3-4	5-10	11-12	13-18	TOTAL
Center for Community and Family Services	68	197	252	453	914	201	20	2,105
Child Care Information Service	20	58	68	143	220	47	7	563
Child Care Resource Center	117	328	399	746	1,322	273	33	3,218
Children's Home Society	37	139	179	367	666	170	13	1,571
City of Norwalk	6	20	31	48	115	22	1	243
Connections for Children	13	36	37	68	90	23	2	269
Crystal Stairs, Inc.	101	402	516	887	1,725	434	57	4,122
Drew Child Development Corporation	52	186	182	290	649	145	14	1,513
International Institute of Los Angeles	7	24	24	44	104	21	1	225
Mexican-American Opportunity Foundation	57	173	224	377	829	168	13	1,841
Options	33	96	126	225	437	92	9	1,013
Pathways	24	84	93	208	387	104	10	910
Pomona Unified School District	21	104	139	249	491	99	18	1,121
<b>TOTALS:</b>	<b>556</b>	<b>1,847</b>	<b>2,270</b>	<b>4,105</b>	<b>7,949</b>	<b>1,799</b>	<b>198</b>	<b>18,774</b>